

## Message Text

LIMITED OFFICIAL USE

PAGE 01 MUSCAT 00864 310504Z

21

ACTION COME-00

INFO OCT-01 NEA-10 ISO-00 FEA-01 AGR-05 CEA-01 CIAE-00

DODE-00 EB-07 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 OES-03

XMB-02 OPIC-03 /099 W

----- 012939

R 310425Z JUL 75

FM AMEMBASSY MUSCAT

TO SECSTATE WASHDC 1348

INFO AMEMBASSY BEIRUT

LIMITED OFFICIAL USE MUSCAT 864

E.O. 11652: N/A

TAGS: ETRD, MU

SUBJECT: EXPORT RESTRICTIONS IMPOSED BY OMANGOV

REF: STATE 146681

1. ONLY SIGNIFICANT EXPORT ITEM FOR OMAN IS PETROLEUM, AND ALL EXPORT CONTROLS IMPOSED BY OMANGOV HAVE APPLIED TO OIL. OMAN HAS LONG MAINTAINED TOTAL EMBARGO ON TRADE WITH ISRAEL. TRADE WITH SOUTH AFRICA AND RHODESIA HAS BEEN PROHIBITED, SINCE 1973 AND THE SMALL PETROLEUM SHIPMENTS TO SOUTH AFRICA WHICH TOOK PLACE PREVIOUSLY HAVE BEEN HALTED. OMANGOV DOES NOT NOW RESTRICT PETROLEUM EXPORTS TO ANY OTHER NON-COMMUNIST COUNTRY. A CERTIFICATE OF FINAL DESTINATION IS REQUIRED FOR PETROLEUM SHIPMENTS FROM OMAN.

2. ONLY EXPORT RESTRICTIONS OTHERWISE IMPOSED BY OMANGOV DURING LAST FIVE YEARS INVOLVED OAPEC-INSPIRED BAN ON PETROLEUM SHIPMENTS TO US AND NETHERLANDS FROM NOVEMBER 1973 TO JULY 1974. DURING THIS PERIOD, OMANGOV PROHIBITED EXPORTS OF

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MUSCAT 00864 310504Z

PETROLEUM WITH A FINAL DESTINATION OF THE US OR NETHERLANDS.

HOWEVER, OMANI CRUDE WITH CANADA AS A FINAL DESTINATION WAS ALLOWED TO BE TRANSSHIPPED THROUGH US. SIMILARLY, OMANGOV ALLOWED PETROLEUM TO BE SHIPPED IN DUTCH TANKERS TO PORTS OTHER THAN IN THE NETHERLANDS. THIS RESTRICTION WAS RELAXED FURTHER IN APRIL 1974 WHEN PETROLEUM SHIPMENTS TO ROTTERDAM WERE LEGALIZED AS LONG AS PETROLEUM WAS DESTINED FOR TRANSSHIPMENT TO WEST GERMANY. OMANGOV LIFTED BAN ON OIL SHIPMENTS TO US ON MARCH 25, 1974, AND ALL RESTRICTIONS ON SHIPMENTS TO NETHERLANDS WERE REMOVED ON JULY 16, 1974.

3. EVEN DURING PERIOD OF PARTIAL EMBARGO, THERE WAS NO ATTEMPT TO HOLD DOWN PRODUCTION OR IMPOSE OTHER QUOTAS AND LIMITATIONS. THE OMANGOV DID THE MINIMUM REQUIRED TO DEMONSTRATE THEIR SOLIDARITY TO THE ARAB CAUSE.

4. TEMPORARY EMBARGO'S EFFECT ON TRADE WAS MINIMAL. US PURCHASES OF CRUDE FROM OMAN IN 1974 WERE HIGHER THAN IN 1973. THERE WAS A SHARP DROP IN OIL EXPORTS TO NETHERLANDS IN 1974, BUT EXPORTS TO NETHERLANDS HAVE REVIVED THIS YEAR.

5. ALTHOUGH NOT A MEMBER OF OAPEC, OMANGOV HAS GENERALLY FOLLOWED OAPEC GUIDELINES ON PETROLEUM ROYALTIES AND PRICING. THERE WOULD BE NO REASON FOR OMAN TO TRY TO HOLD DOWN PETROLEUM PRICES, SINCE ALL PETROLEUM EXPORT EARNINGS ARE FULLY COMMITTED TO DEFENSE AND CIVIL DEVELOPMENT EXPENDITURES. HOWEVER, OMANGOV TAX AND ROYALTY TERMS IMPOSED ON SOLE PRODUCER PETROLEUM DEVELOPMENT (OMAN) HAVE BEEN SOMEWHAT LOWER THAN PETROLEUM TAXES IMPOSED BY OTHE GULF GOVERNMENTS, IN ORDER TO STIMULATE MAXIMUM DEVELOPMENT OF OMAN'S MODEST PETROLEUM RESERVES.

WOLLE

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORT CONTROLS, EXPORT DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** buchantr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975MUSCAT00864  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750263-1090  
**From:** MUSCAT  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t1975074/aaaaadid.tel  
**Line Count:** 92  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION COME  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 146681  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** buchantr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 10 JUN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <10 JUN 2003 by KelleyW0>; APPROVED <16 OCT 2003 by buchantr>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EXPORT RESTRICTIONS IMPOSED BY OMANGOV  
**TAGS:** ETRD, MU  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006